

Resolution No: 16-487
Introduced: December 11, 2007
Adopted: March 18, 2008

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the Maryland-National Capital Park and Planning Commission

SUBJECT: Special Appropriation to the Maryland-National Capital Park and Planning Commission's (M-NCPPC) FY07 Capital Budget and Amendment to the FY07-12 Capital Improvements Program for Silver Place/MRO Mixed Use Project, PDF #048701- \$1,386,000 (Source: Certificates of Participation)

Background

1. Article 28, Section 2-118(a)(6) of the Maryland Code permits the County Council to amend the budget of the M-NCPPC by resolution on the Council's initiative, or at the request of the Commission, after receipt of a recommendation from the County Executive, and after public hearing upon reasonable notice to the public.
2. Section 308 of the Montgomery County Charter provides that a special appropriation: (a) may be made at any time after public notice by news release; (b) must state that the special appropriation is necessary to meet an unforeseen disaster or other emergency or to act without delay in the public interest; (c) must specify the revenues necessary to finance it; and (d) must be approved by six members of the Council.
3. M-NCPPC requests a Special Appropriation to the FY07 Capital Budget and Amendment to the FY07-12 Capital Improvements Program.

Project Name	Project No.	Cost Element	Amount	Source of Funds
SilverPlace/MRO Mixed Use Project	048701	Planning, Design and Supervision	\$1,386,000	Certificates of Participation

4. A recommendation was submitted by the County Executive.
5. The public was notified by a news release, and a public hearing was held.

Action


The County Council for Montgomery County, Maryland, approves the following actions:

1. A Special Appropriation to the FY07 Capital Budget and Amendment to the FY07-12 Capital Improvements Program of the M-NCPPC to fund community charettes and related design work.

Project Name	Project No.	Cost Element	Amount	Source of Funds
SilverPlace/MRO Mixed Use Project	048701	Planning, Design and Supervision	\$1,386,000	Certificates of Participation

2. The County Council declares that this action is necessary to act without delay in the public interest.

This is a correct copy of Council action.


Linda M. Lauer, Clerk of the Council

SilverPlace/MRO Headquarters Mixed-Use Project -- No. 048701

Category M-NCPPC
 Agency M-NCPPC
 Planning Area Silver Spring
 Relocation Impact None.

Date Last Modified
 Previous PDF Page Number
 Required Adequate Public Facility

March 6, 2008
 NONE
 NO

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY05	Est. FY08	Total 6 Years	FY07	FY08	FY09	FY10	FY11	FY12	Beyond 6 Years
Planning, Design and Supervision	2,236	110	131	1,995	258	1,567	172	0	0	0	0
Land											
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	2,236	110	131	1,995	258	1,567	172	0	0	0	0

FUNDING SCHEDULE (\$000)

Certificates of Participation	1,986	0	0	1,986	247	1,567	172	0	0	0	0
Current Revenue: Park and Planning	250	110	131	9	9	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

SilverPlace is a public/private partnership through which M-NCPPC seeks to replace its outdated and overcrowded headquarters building while facilitating several public policy objectives including provision of affordable housing, smart growth, and green building. SilverPlace is a mixed-use development of the Montgomery Regional Office (MRO) site in Silver Spring. The project will include public improvements consisting of consolidated headquarters facility, public open space, and related infrastructure. The project will include private improvements with a minimum of thirty percent affordable residential housing units and open space. Private improvements may also include market rate residential units and retail space.

JUSTIFICATION

In 2003, the Commission prepared the "Consolidated Headquarters Study". This study justified the need for the new headquarters, determined that a minimum of 30% affordable/workforce housing would be required, and determined that a public/private partnership allowing mixed-use development of the MRO site was the optimal method to meet the project objectives.

Plans and Studies

The Montgomery County Council approved the Silver Spring Central Business District and Vicinity Sector Plan in February 2000 and the M-NCPPC adopted it in March 2000.

Housing Montgomery: Housing the People Who Make Montgomery County Work, approved by the Planning Board and County Council in 2003.

Consolidated Headquarters Study, 2003.

Analyses of MRO HVAC, Electrical Systems, 2001.

A review of impacts to pedestrians, bicycles and ADA (Americans with Disabilities Act 1991) will be performed and addressed by this project. Traffic signals, streetlights, crosswalks, bus stops, ADA ramps, bikeways, and other pertinent issues will be considered in the design of the project to ensure pedestrian safety.

STATUS

Accomplishments to date include qualification of three development teams to submit responses to a Request for Proposals (RFP), issuing an RFP, ranking of one of the development teams first among the three to submit proposals, entering into a Memorandum of Understanding with that development team, preliminary negotiations of the first of three subsequent "definitive" agreements with that team, completion of a draft detailed program of requirements, formulation of a charrette process to obtain stakeholder input to and concurrence with a development plan, and agreement in principle with the Silver Spring Parking District to acquire additional property that will enable the Commission to realize its public policy objectives in a more comprehensive manner. The next phase will take the project through the completion of the charrette process including the preparation of a detailed development plan and cost estimates of sufficient reliability to seek funding to complete the design and construction of the project.

FISCAL NOTE

The debt associated with this project will be recorded in an Internal Service Fund (ISF) account for the new building (MRO Building ISF). The Administration Fund and the Park Fund will budget ISF service charges in amounts sufficient to cover the debt service on the building. The allocation to the Administration Fund and the Park Fund will be based on the space to be utilized by the planning and parks functions. This process assures that each fund is paying a reasonable portion of the cost of the building.

The funding history to date includes a Special appropriation approved in FY04 for \$250,000 and additional \$600,000 in FY05 to take the project to the status as described above. The FY08 supplemental appropriation of \$1,386,000 provides funds sufficient to perform due diligence work to prepare for a charrette, conduct a

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation FY05 (\$000)		
Initial Cost Estimate 1,682		
First Cost Estimate		
Current Scope FY05 1,692		
Last FY's Cost Estimate 850		
Present Cost Estimate 2,236		
Appropriation Request FY07 0		
Appropriation Req. Est. FY08 0		
Supplemental Appropriation Request FY08 1,386		
Transfer 0		
Cumulative Appropriation 850		
Expenditures/		
Encumbrances 126		
Unencumbered Balance 724		
Partial Closeout Thru FY04 0		
New Partial Closeout FY05 0		
Total Partial Closeout 0		

charrette, obtain concurrence with the design concept developed in the charrette, and produce a development plan in sufficient detail to obtain construction cost estimates. The Council authorizes the advance of Commission funds not to exceed \$1.386 million for the expenses noted above which may be incurred before the sale of certificates of participation (COPs) or other debt instrument for this project. These advances are to be repaid out of the proceeds of the COPs or other debt issued by the Commission for this project. The estimated range of costs for the balance of design and construction is from \$60 to \$80 million.